Philip Morris is gratified that the Federal Trade Commission has taken the unusual but constructive step of alerting the public that the tar and nicotine figures for Barclay as measured by the current FTC method are subject to question. As stated by the Commission in a letter to our counsel, the FTC "has determined that the substantial evidence obtained to date raises serious questions regarding whether the current testing methodology assesses Barclay's 'tar' delivery accurately."

The FTC has advised the public of the issues raised by Barclay and is going forward with a full investigation of those issues. Philip Morris intends to continue its full cooperation in that investigation.

At this time Philip Morris believes it appropriate that any further information on the matter should come from the Commission.